

Starwood still largest hotel chain in M'sia

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STARWOOD Hotels & Resorts Worldwide Inc, which operates the Westin and Sheraton hotel brands, has strengthened its position in Malaysia as the largest foreign hotel operator in Malaysia following the opening of its 11th hotel in Kuala Lumpur.

With plans to open yet another four hotels by 2016, Starwood is well positioned to be the single largest hotel operator in Malaysia with close to 4,565 rooms nationwide.

The room inventory of the 11 hotels in Malaysia now stands at 3,631. Over 900 rooms will be added as it opens Sheraton Desaru resort in July 2014, The St Regis Kuala Lumpur in December 2014 or early 2015, W Kuala Lumpur in 2016 and Four Points by Sheraton Kota Kinabalu in 2016.



Aloft Kuala Lumpur Sentral

Last week, Starwood introduced Aloft Kuala Lumpur Sentral in Malaysia – the world's largest Aloft property with 482 rooms. This is the second Starwood brand within KL Sentral after Le Meridien while the third – St Regis – will open next.

Regional vice-president for Southeast Asia Malaysia, Indonesia, Singapore and the Philippines Chuck Abbott says

that together, the three Starwood hotels will provide the group with 1,000 rooms within KL Sentral.

Meanwhile, a total of RM300 mil has been invested into the Aloft, the 31-storey hotel owned by London-listed Aseana Properties Ltd. Aseana is a 23% associate of Ireka Corp Bhd.

Ireka Development Management Sdn Bhd president/CEO Lai Voon Hon says he expects return on investment on the property would be faster than the average normal eight to 10 years taken by hotels in Malaysia.

Aloft is looking at an average room rate (ARR) of RM380 and an average occupancy of 65% in the first year of operations. The occupancy target is on the higher side than what most new hotels in Malaysia tend to project for the first year.

When asked if Aseana will consider selling Aloft, Lai says that it has received unsolicited offers, but that it was too early to consider a sale. Nevertheless, he adds: "Who knows... if it is a price we can't refuse, we will let go [of the hotel]."

Ireka previously developed The Westin in Bukit Bintang which was later sold at a record RM1 mil per room or a total of RM455 mil to Thailand's Newwood Assets Ltd. [www.ireka.com](#)